
Expense Authority

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| Policy Number: | 2430 |
| Owner: | VP FA |
| Current Approved Date: | February 27, 2025 |

POLICY STATEMENT

NBCC values leadership with integrity and demonstrates that by taking pride in its collective accountability. All Employees are expected to be accountable for their actions and must conduct themselves with regard to the exercise of expense authority in such a way as to instill public confidence and trust in the College.

PURPOSE

This policy outlines NBCC's commitment to accountability and provides evidence of our stewardship for public funding, student fees and other funding as may be awarded by other stakeholders. This policy provides guidance regarding:

- The scope, limitations and definitions related to this policy.
- How this policy is to be implemented.
- Spending limits and their assignment to positions.

SCOPE AND LIMITATIONS

As a Part IV Crown corporation, and particularly one leveraging the enterprise resource planning systems of the Government of New Brunswick, the College is subject to and hereby adopts the provisions of the Province of New Brunswick's Expense Authority Policy (AD-6402) and related directives.

This policy applies to all Employees and compliance with this policy is a condition of employment.

This policy applies to Employees exercising expense authority related to disbursements from NBCC accounts, regardless of whether that item is funded from operational funds of the College or other funding sources.

1.0 DEFINITIONS

Accountability – Responsibility and answerability to an NBCC manager or supervisor for achieving operational, policy and program objectives within the framework of the applicable legislation, regulations, and College policies and procedures to an agreed upon quality using College Resources.

College Resources - employees (including students), facilities, equipment, funds, grants, gifts, services, information and technology resources for which NBCC has responsibility.

Employee – a person who is subject to an employment agreement with NBCC, meets the definition of Employee under the Public Service Labour Relations Act and any further description within NBCC collective agreements.

Procurement Value - estimated maximum total value of a procurement contract and any optional renewals of a procurement contract including transportation costs, maintenance costs, costs associated

with the manufacture of goods, installation costs, tariffs, duties, premiums, fees, commissions, interest and any other costs incidental to the purchase of the goods or services not including taxes.

2.0 IMPLEMENTATION

2.1 General

- 2.1.1 Expense authorities, and their related spending limits, shall be applied to the Procurement Value of any good or service.

Expense authorities shall be applied

2.2 Spending Limits

- 2.2.1 Pursuant to Province of New Brunswick's Expense Authority Policy (AD-6402), it is of note that expense authority must be restricted to a spending limit that is relative to the duties and responsibilities of the position.
- 2.2.2 Appendix One reflects the College's assignment of expense authority to positions having similar duties and responsibilities.

2.3 Delegation, Transfer and Application

Pursuant to AD-6402, it is of further note that:

- 2.3.1 The right to delegate expense authorities to positions is limited to the President and CEO.
- 2.3.2 An Employee whose position has been delegated authority by the President and CEO must not redelegate such authority to another Employee on an ongoing basis or extended term, unless requested and approved by the President and CEO.
- 2.3.3 An Employee whose position has been delegated authority pursuant to 2.3.2 may, on a temporary basis, transfer such authority to another Employee for the purpose of operational coverage during leaves of limited duration. An Employee with expense authority must ensure that any transfer of expenditure authority is to an employee having equal or higher spending limit.
- 2.3.4 Any delegation and/or transfer of expense authority shall be documented in writing by the transferor, in advance of its implementation date, in the manner required by Team Finance.
- 2.3.5 An Employee with expense authority is responsible and accountable for all expenditures charged to the departmental budget over which they have been delegated authority.

2.4 Exceptions

- 2.4.1 The exercise of Exceptions under this section should be limited to extraordinary circumstances where the appropriate expense authority is unavailable or unable to exercise such authority and failure to do so would present an unacceptable risk to the College.

- 2.4.2 Where the appropriate expense authority is not available in such extraordinary circumstances, Team Finance shall document and escalate a request to the supervisor of that position for the exercise of spending authority.
- 2.4.3 Where the appropriate supervisor is also not available, Team Finance shall further escalate that request to the Vice President Finance and Administration and/or President and CEO on written request and recommendation of the Director of Finance.
- 2.4.4 A report of all Exceptions under this section will be presented to the Vice President Finance and Administration and President and CEO on a monthly basis.

3.0 INTERPRETATION OF POLICY

Questions or concerns about the interpretation or application of this policy and/or related procedures may be directed to the Director of Finance.

4.0 OTHER RELATED DOCUMENTS

Province of New Brunswick Administrative Manual System : Expense Authority (AD-6402)

APPENDIX ONE: ASSIGNMENT OF SPENDING LIMITS

| Level | Limit | Assignment |
|-------|-------------|---|
| 1 | \$5,000 | Not proposed for use |
| 2 | \$10,000 | All other direct reports to those in Level 3 who are required by virtue of duties or position to manage significant functions, projects, and related procurement. |
| 3 | \$50,000 | Direct reports to those in Level 4 or 5 who regularly manage significant departments, projects, and related procurement (generally Chairs and Managers) |
| 4 | \$100,000 | Direct reports to those in Level 5 who regularly manage significant projects and procurement in: <ul style="list-style-type: none"> • Information Technology Services • Facilities Planning and Projects • Regional Facilities Manager |
| 5 | \$250,000 | Direct reports to those in Level 6 who manage significant portfolios (generally Deans and Directors) |
| 6 | \$500,000 | Direct reports to President who manage divisions (generally having role of Vice President or Executive Director) |
| 7 | \$1,000,000 | Not proposed for use |
| 8 | \$5,000,000 | Not proposed for use |
| 9 | Unlimited | President |